



(DN 075)
State of Wisconsin
2005 - 2006 LEGISLATURE

LRB-1513/8 9
JTK:cjs&kjf:pg

wanted by 1 PM wed 2/9

DOA:.....Kraus, BB0352 - Sale of state property

FOR 2005-07 BUDGET -- NOT READY FOR INTRODUCTION

- Do NOT GEN
1 AN ACT ...; relating to: sale of certain state properties.

Analysis by the Legislative Reference Bureau

STATE GOVERNMENT

STATE FINANCE

This bill transfers \$36,000,000 from the general fund to the budget stabilization fund.

OTHER STATE GOVERNMENT

Currently, state agencies having jurisdiction over state properties are authorized to sell the properties under various conditions and limitations, if the operation of the properties is not specifically provided for by law. The proceeds of any sales are credited or deposited in various ways as provided by law.

Currently, the Building Commission may sell or lease all or part of a state-owned building or structure or state-owned land if such authority is not provided to a state agency by law. The proceeds of any such sales or leases, after retirement of any outstanding debt on the affected properties, are paid into the budget stabilization fund. In addition, the Building Commission may sell certain surplus state land, subject in most cases to the consent of the Joint Committee on Finance, and may sell certain state-owned land in the vicinity of the state capitol.

This bill directs the secretary of administration, no later than July 1, 2006, to review all holdings state-owned real property for potential sale, except property under the jurisdiction of the Board of Regents of the UW System, property under the

jurisdiction of DNR (except central or district office facilities), and certain other specified property. Potential sales may include surplus or nonsurplus property, and may be evaluated with or without the approval of the state agency that administers the affected property.

No later than October 1, 2006, the secretary of administration must submit a report to the secretary of the Building Commission containing an inventory of the secretary's recommendations to offer specified state properties for sale and giving the reasons therefor. Under the bill, if the Building Commission votes to approve the sale of any property included in the inventory on or before June 30, 2007, DOA may offer the property for sale and may sell the property if DOA believes that the sale is in the best interests of the state, subject to certain exceptions. Under the bill, the sale price need not reflect fair market value.

Any sale of state property by DOA may be either on the basis of public bids or negotiated prices. The bill does not authorize DOA to close or sell any facility or institution the operation of which is provided for by law. The authority granted by the bill does not apply to property that is leased by the state during the term of the lease without consent of the lessee. With certain exceptions, all net proceeds of property sales, after retirement of any outstanding debt on the affected properties and after any required reimbursement of the federal government for any federal financial assistance used to acquire, construct, or improve the properties, are deposited in the general fund.

Currently, the proceeds of sales of real property by the Board of Regents of the University of Wisconsin System are appropriated for various purposes. This bill provides that, for proceeds received from these sales before July 1, 2007, unless otherwise required for properties that are encumbered, acquired, constructed, or improved with federal financial assistance, or restricted by the terms of a gift or grant, the board shall use the net proceeds for the operation of the UW System.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 13.101 (13) of the statutes is repealed.

2 **SECTION 2.** 13.48 (14) (a) of the statutes is amended to read:

3 13.48 (14) (a) In this subsection, "agency" has the meaning given for "state
4 agency" in s. 20.001 (1), except that prior to July 1, 2007, the term does not include
5 the Board of Regents of the University of Wisconsin System.

6 **SECTION 3.** 13.48 (14) (d) 4. of the statutes is amended to read:

1 13.48 (14) (d) 4. If the commission proposes to sell or transfer a parcel of surplus
2 land having a fair market value of at least \$20,000, the commission shall notify the
3 joint committee on finance in writing of its proposed action. If the cochairpersons of
4 the committee do not notify the commission that the committee has scheduled a
5 meeting for the purpose of reviewing the proposed sale or transfer within 14 working
6 days after the date of the commission's notification, the parcel may be sold or
7 transferred by the commission. If, within 14 working days after the date of the
8 commission's notification, the cochairpersons of the committee notify the
9 commission that the committee has scheduled a meeting for the purpose of reviewing
10 the proposed sale or transfer, the parcel may be sold or transferred under this
11 subdivision only upon approval of the committee. This subdivision does not apply
12 to surplus land that is authorized to be sold under s. 16.848.

13 **SECTION 4.** 13.48 (22) of the statutes is amended to read:

14 13.48 (22) SALE OR LEASE OF CAPITOL AREA LANDS. The building commission may
15 lease or resell lands acquired in the capitol planning area for public or private
16 redevelopment and may set such conditions of sale or lease as it deems necessary to
17 ensure development compatible with the needs of the community and the state. This
18 subsection does not apply to lands that are authorized to be sold under s. 16.848.

19 **SECTION 5.** 16.848 of the statutes is created to read:

20 **16.848 Sale of certain state property.** (1) Except as provided in sub. (2) and
21 subject to sub. (3), the department may sell any state-owned real property, if the
22 department determines that the sale is in the best interest of the state. The sale may
23 be either on the basis of public bids, with the department reserving the right to reject
24 any bid in the interest of the state, or negotiated prices.

1 (2) (a) Subsection (1) does not authorize the closure or sale of any facility or
2 institution the operation of which is provided for by law.

3 (b) Subsection (1) does not apply to property under the jurisdiction of the board
4 of regents of the University of Wisconsin System.

5 (c) Subsection (1) does not apply to property sold by the department under s.
6 16.98 (3).

7 (d) Subsection (1) does not apply to lands under the jurisdiction of the board
8 of commissioners of public lands.

9 (e) Subsection (1) does not apply to property under the jurisdiction of the
10 department of natural resources, except central or district office facilities.

11 (f) Subsection (1) does not apply to lands acquired with revenues collected
12 under s. 70.58.

13 (g) Subsection (1) does not apply to property that is subject to sale by the
14 department of veterans affairs under s. 45.72 (7).

15 (h) The department shall not sell any property under this section that is leased
16 by the state until the lease expires or the lease is modified, renewed, or extended,
17 whichever first occurs, without consent of the lessee.

18 (3) The department shall not sell any state property under sub. (1) unless the
19 sale is approved by the building commission under 2005 Wisconsin Act (this act),
20 section 9101 (1) (b).

21 (4) Except as provided in s. 13.48 (14) (e), if there is any outstanding public debt
22 used to finance the acquisition, construction, or improvement of any property that
23 is sold under sub. (1), the department shall deposit a sufficient amount of the net
24 proceeds from the sale of the property in the bond security and redemption fund
25 under s. 18.09 to repay the principal and pay the interest on the debt, and any

1 premium due upon refunding any of the debt. If the property was acquired,
2 constructed, or improved with federal financial assistance, the department shall pay
3 to the federal government any of the net proceeds required by federal law. If the
4 property was acquired by gift or grant or acquired with gift or grant funds, the
5 department shall adhere to any restriction governing use of the proceeds. Except as
6 required under ss. 13.48 (14) (e), 20.395 (9) (qd), and 51.06 (6), if there is no such debt
7 outstanding, there are no moneys payable to the federal government, and there is no
8 restriction governing use of the proceeds, and if the net proceeds exceed the amount
9 required to be deposited, paid, or used for another purpose under this subsection, the
10 department shall deposit the net proceeds or remaining net proceeds in the general
11 fund.

12 ~~SECTION 6. 20.285 (1) (ga) of the statutes is amended to read:~~

13 ~~20.285 (1) (ga) *Surplus auxiliary funds.* Any moneys in any program revenue~~
14 ~~appropriation under this section which the board of regents determines to be~~
15 ~~surplus, except moneys derived from the sale of real property received before July~~
16 ~~1, 2007, to be used for the construction or acquisition of university housing facilities,~~
17 ~~commons, dining facilities, field house or other buildings, or for other permanent~~
18 ~~improvements, purchase of land, equipment for such buildings or investment in~~
19 ~~bonds or securities, or for the payment of debt service costs, as provided in s. 36.06~~
20 ~~(6) and (7), 1969 stats., and s. 37.02 (3), 1969 stats., as the board of regents~~
21 ~~determines. Separate accounts shall be maintained for each activity of each unit~~
22 ~~with funds in this appropriation.~~

23 SECTION 7. 20.285 (1) (h) of the statutes is amended to read:

24 20.285 (1) (h) *Auxiliary enterprises.* Except as provided under subs. (4) (g) and
25 (gm), (5) (i), and (6) (g), all moneys received by the University of Wisconsin System

1 for or on account of any housing facility, commons, dining halls, cafeteria, student
2 union, athletic activities, stationery stand or bookstore, parking facilities or car fleet,
3 or such other auxiliary enterprise activities as the board designates and including
4 such fee revenues as allocated by the board and including such moneys received
5 under leases entered into previously with nonprofit building corporations as the
6 board designates to be receipts under this paragraph, but not including any moneys
7 received from the sale of real property before July 1, 2007, to be used for the
8 operation, maintenance, and capital expenditures of activities specified in this
9 paragraph, including the transfer of funds to pars. (kd), (ke), and s. 20.235 (1) (ke),
10 and to nonprofit building corporations to be used by the corporations for the
11 retirement of existing indebtedness and such other payments as may be required
12 under existing loan agreements, for optional rental payments in addition to the
13 mandatory rental payments under the leases and subleases in connection with the
14 providing of facilities for such activities, and for grants under ss. 36.25 (14) and
15 36.34. A separate account shall be maintained for each campus and extension. Upon
16 the request of the extension or any campus within the system, the board of regents
17 may transfer surplus moneys appropriated under this paragraph to the
18 appropriation account under par. (kp). Annually, the amount in the schedule under
19 s. 20.005 (3) for the appropriation under s. 20.235 (1) (ke) shall be transferred from
20 this appropriation to the appropriation account under s. 20.235 (1) (ke).

21 **SECTION 8.** 20.285 (1) (iz) of the statutes is amended to read:

22 20.285 (1) (iz) *General operations receipts.* All moneys received for or on
23 account of the University of Wisconsin System, unless otherwise specifically
24 appropriated, including all moneys received from the sale of real property prior to
25 July 1, 2007, to be used for general operations.

1 **SECTION 9.** 20.285 (1) (j) of the statutes is amended to read:

2 20.285 (1) (j) *Gifts and donations.* All moneys received from gifts, grants,
3 bequests and devises, except moneys received from the sale of real property before
4 July 1, 2007, to be administered and expended in accordance with the terms of the
5 gift, grant, bequest or devise to carry out the purposes for which made and received.

6 **SECTION 10.** 20.285 (1) (ka) of the statutes is amended to read:

7 20.285 (1) (ka) *Sale of real property.* All net proceeds from the sale of real
8 property by the board under s. 36.34, 1969 stats., and s. 36.33, except net proceeds
9 received before July 1, 2007, to be used for the purposes of s. 36.34, 1969 stats., and
10 s. 36.33, including the expenses enumerated in s. 13.48 (2) (d) incurred in selling the
11 real property under those sections.

12 **SECTION 11.** 23.15 (6) of the statutes is created to read:

13 23.15 (6) This section does not apply to property that is authorized to be sold
14 under s. 16.848.

15 **SECTION 12.** 25.60 of the statutes is amended to read:

16 **25.60 Budget stabilization fund.** There is created a separate nonlapsible
17 trust fund designated as the budget stabilization fund, consisting of moneys
18 transferred to the fund from the general fund under ss. 13.48 (14) (c), 16.518 (3), and,
19 16.72 (4) (b), and 16.848.

20 **SECTION 13.** 45.37 (10) (c) of the statutes is amended to read:

21 45.37 (10) (c) ~~The~~ Except where a sale occurs under s. 16.848, the department
22 may manage, sell, lease or transfer property descending to the state pursuant to this
23 section or conveyed to it by members, defend and prosecute all actions concerning it,
24 pay all just claims against it, and do all other things necessary for the protection,
25 preservation and management of such property. All expenditures necessary for the

1 execution of functions under this paragraph or sub. (11) shall be made from the
2 appropriation in s. 20.485 (1) (h).

3 **SECTION 14.** 45.38 (2) (a) 1. of the statutes is amended to read:

4 45.38 (2) (a) 1. Without limitation by reason of any other provisions of the
5 statutes except s. 16.848, the power to sell and to convey title in fee simple to a
6 nonprofit corporation any land and any existing buildings thereon owned by, or
7 owned by the state and held for, the department or of any of the institutions under
8 the jurisdiction of the department for such consideration and upon such terms and
9 conditions as in the judgment of the board are in the public interest.

10 **SECTION 15.** 46.03 (30) (a) of the statutes is amended to read:

11 46.03 (30) (a) To provide for an orderly reduction of state institutional primary
12 psychiatric services the department may approve the institutes entering into
13 contracts with county departments under s. 51.42 for providing primary psychiatric
14 care. If excess capacity exists at state operated mental health institutes, the
15 department shall, subject to s. 16.848, explore whether the possible sale or lease of
16 such excess facilities may be sold or leased to a county department under s. 51.42.

17 **SECTION 16.** 46.035 (1) (a) of the statutes is amended to read:

18 46.035 (1) (a) The term "existing building" in relation to any conveyance, lease
19 or sublease made under sub. (2) (a) 1., 2. and 3., (b), and (c) means all detention,
20 treatment, administrative, recreational, infirmary, hospital, vocational and
21 academic buildings; all dormitories and cottages; all storage facilities, heating
22 plants, sewage disposal plants, and such other buildings, structures, facilities and
23 permanent improvements as in the judgment of the secretary are needed or useful
24 for the purposes of the department, and all equipment therefor and all improvements

1 and additions thereto which were erected, constructed or installed prior to the
2 making of such conveyance, lease or sublease.

3 SECTION 17. 46.035 (1) (b) of the statutes is amended to read:

4 46.035 (1) (b) The term "new building" in relation to any conveyance, lease or
5 sublease made under sub. (2) (a) ~~1., 2. and 3.,~~ (b), and (c) means all detention,
6 treatment, administrative, recreational, infirmary, hospital, vocational and
7 academic buildings; all dormitories and cottages; all storage facilities, heating
8 plants, sewage disposal plants, and such other buildings, structures, facilities and
9 permanent improvements as in the judgment of the secretary are needed or useful
10 for the purposes of the department, and all equipment therefor and all improvements
11 and additions thereto which are erected, constructed or installed after the making
12 of such conveyance, lease or sublease.

13 SECTION 18. 46.035 (2) (intro.) of the statutes is repealed.

14 SECTION 19. 46.035 (2) (a) of the statutes is renumbered 46.035 (2), and 46.035
15 (2) (intro.), (a) and (c) to (j), as renumbered, are amended to read:

16 46.035 (2) (intro.) In order to provide new buildings and to enable the
17 construction and financing thereof, to refinance indebtedness hereafter created by
18 a nonprofit corporation for the purpose of providing a new building or buildings or
19 additions or improvements thereto which are located on land owned by, or owned by
20 the state and held for, the department or on lands of the institutions under the
21 jurisdiction of the department or by the nonprofit corporation, or for any one or more
22 of said purposes, but for no other purpose unless authorized by law, the department
23 has, subject to s. 16.848, the following powers and duties:

24 (a) Without limitation by reason of any other provisions of the statutes except
25 s. 16.848, the power to sell and to convey title in fee simple to a nonprofit corporation

1 any land and any existing buildings thereon owned by, or owned by the state and held
2 for, the department or of any of the institutions under the jurisdiction of the
3 department for such consideration and upon such terms and conditions as in the
4 judgment of the secretary are in the public interest.

5 (c) The power to lease or sublease from such nonprofit corporation, and to make
6 available for public use, any such land and existing buildings conveyed or leased to
7 such nonprofit corporation under ~~subds. 1. and 2. pars. (a) and (b)~~, and any new
8 buildings erected upon such land or upon any other land owned by such nonprofit
9 corporation, upon such terms, conditions and rentals, subject to available
10 appropriations, as in the judgment of the secretary are in the public interest. With
11 respect to any property conveyed to such nonprofit corporation under ~~subd. 1. par.~~
12 (a), such lease from such nonprofit corporation may be subject or subordinated to one
13 or more mortgages of such property granted by such nonprofit corporation.

14 (d) The duty to submit the plans and specifications for all such new buildings
15 and all conveyances, leases and subleases made under this ~~section~~ subsection to the
16 department of administration and the governor for written approval before they are
17 finally adopted, executed and delivered.

18 (e) The power to pledge and assign all or any part of the revenues derived from
19 the operation of such new buildings as security for the payment of rentals due and
20 to become due under any lease or sublease of such new buildings under ~~subd. 3 par.~~
21 (c).

22 (f) The power to covenant and agree in any lease or sublease of such new
23 buildings made under ~~subd. 3. par. (c)~~ to impose fees, rentals or other charges for the
24 use and occupancy or other operation of such new buildings in an amount calculated

1 to produce net revenues sufficient to pay the rentals due and to become due under
2 such lease or sublease.

3 (g) The power to apply all or any part of the revenues derived from the operation
4 of existing buildings to the payment of rentals due and to become due under any lease
5 or sublease made under ~~subd. 3~~ par. (c).

6 (h) The power to pledge and assign all or any part of the revenues derived from
7 the operation of existing buildings to the payment of rentals due and to become due
8 under any lease or sublease made under ~~subd. 3~~ par. (c).

9 (i) The power to covenant and agree in any lease or sublease made under ~~subd.~~
10 ~~3, par. (c)~~ to impose fees, rentals or other charges for the use and occupancy or other
11 operation of existing buildings in an amount calculated to produce net revenues
12 sufficient to pay the rentals due and to become due under such lease or sublease.

13 (j) The power and duty, upon receipt of notice of any assignment by any such
14 nonprofit corporation of any lease or sublease made under ~~subd. 3, par. (c)~~, or of any
15 of its rights under any such sublease, to recognize and give effect to such assignment,
16 and to pay to the assignee thereof rentals or other payments then due or which may
17 become due under any such lease or sublease which has been so assigned by such
18 nonprofit corporation.

19 **SECTION 20.** 46.035 (2) (b) of the statutes is renumbered 46.035 (3) and
20 amended to read:

21 46.035 (3) The state ~~shall be~~ is liable for accrued rentals and for any other
22 default under any lease or sublease made under ~~par. (a) 3, sub. (2) (c)~~, and may be
23 sued therefor on contract as in other contract actions pursuant to ch. 775, except that
24 it ~~shall not be~~ is not necessary for the lessor under any such lease or sublease or any
25 assignee of such lessor or any person or other legal entity proceeding on behalf of such

1 lessor to file any claim with the legislature prior to the commencement of any such
2 action.

3 **SECTION 21.** 46.035 (2) (c) of the statutes is renumbered 46.035 (4).

4 **SECTION 22.** 46.035 (2) (d) of the statutes is repealed.

5 **SECTION 23.** 46.035 (2) (e) of the statutes is renumbered 46.035 (5) and amended
6 to read:

7 46.035 (5) All laws, except s. 16.848 and ch. 150, conflicting that conflict with
8 any provisions of this section, are, insofar as they conflict with this section and no
9 further, superseded by this section.

10 **SECTION 24.** 46.06 (intro.) of the statutes is created to read:

11 **46.06 Lands; condemnation, easements, leases, sales, purchases.**
12 (intro.) Subject to s. 16.848:

13 **SECTION 25.** 46.09 (intro.) of the statutes is created to read:

14 **46.09 Purchases, bills, audits, payments.** (intro.) Subject to s. 16.848:

15 **SECTION 26.** 84.09 (9) of the statutes is created to read:

16 84.09 (9) Subsections (5), (5m), and (6) do not apply to state surplus property
17 that is sold under s. 16.848.

18 **SECTION 27.** 301.235 (2) (a) (intro.) of the statutes is amended to read:

19 301.235 (2) (a) (intro.) In order to provide new buildings and to enable the
20 construction and financing thereof, to refinance indebtedness created by a nonprofit
21 corporation for the purpose of providing a new building or buildings or additions or
22 improvements thereto which are located on land owned by, or owned by the state and
23 held for, the department or on lands of the institutions under the jurisdiction of the
24 department or owned by the nonprofit corporation, or for any one or more of those

1 purposes, but for no other purpose unless authorized by law, the department, subject
2 to s. 16.848, has the following powers and duties:

3 SECTION 28. 301.235 (2) (a) 1. of the statutes is amended to read:

4 301.235 (2) (a) 1. Without limitation by reason of any other statute except s.
5 16.848, the power to sell and to convey title in fee simple to a nonprofit corporation
6 any land and any existing buildings thereon owned by, or owned by the state and held
7 for, the department or any of the institutions under the jurisdiction of the
8 department for such consideration and upon such terms and conditions as in the
9 judgment of the secretary are in the public interest.

10 SECTION 29. 301.24 (4) of the statutes is amended to read:

11 301.24 (4) SALES. The Except where a sale occurs under s. 16.848, the
12 department, with the approval of the building commission, may sell and convey such
13 lands under the jurisdiction of the department as the secretary deems to be in excess
14 of the present or future requirements of the department for either the operation of
15 its facilities or programs, for the maintenance of buffer zones adjacent to its facilities
16 or for other public purposes. The proceeds of the sales shall be credited to the state
17 building trust fund.

18 SECTION 30. 301.24 (4m) of the statutes is amended to read:

19 301.24 (4m) CORRECTIONAL INSTITUTION PROPERTY DISPOSITION. In addition to
20 any other requirements under this section, except where a sale occurs under s.
21 16.848, the department may sell or otherwise transfer or dispose of the property
22 acquired for the correctional institution under s. 46.05 (1o), 1985 stats., only if the
23 sale, transfer or disposition is approved by the joint committee on finance. The
24 department shall submit a plan for any such proposed sale, transfer or disposition
25 to the committee.

1 **SECTION 31.** 301.25 of the statutes is amended to read:

2 **301.25 Sewer system at Taycheedah Correctional Institution.** The
3 department, with the approval of the governor, may enter into an agreement
4 containing terms, conditions and covenants approved by the building commission,
5 to participate in the construction of a sanitary sewer system in the area adjacent to
6 the Taycheedah Correctional Institution in the town of Taycheedah, Fond du Lac
7 County; to connect the sewer system of the Taycheedah Correctional Institution
8 thereto; to pay sewage disposal charges; and to grant easements or, subject to s.
9 16.848, convey land to meet construction requirements.

10 **SECTION 32.** 302.04 of the statutes is amended to read:

11 **302.04 Duties of warden and superintendents.** The Except as provided in
12 s. 16.848, the warden or the superintendent of each state prison shall have charge
13 and custody of the prison and all lands, belongings, furniture, implements, stock and
14 provisions and every other species of property within the same or pertaining thereto.
15 The warden or superintendent shall enforce the ~~regulations~~ rules of the department
16 for the administration of the prison and for the government of its officers and the
17 discipline of its inmates.

18 **SECTION 33.** 560.9810 (5) of the statutes is created to read:

19 560.9810 (5) NONAPPLICATION. This section does not apply to property that is
20 authorized to be sold under s. 16.848.

21 **SECTION 9101. Nonstatutory provisions; administration.**

22 (1) SALE OF CERTAIN STATE PROPERTY.

23 (a) 1. No later than July 1, 2006, the secretary of administration shall review
24 all holdings of state-owned real property for potential sale, except as provided in
25 subdivision 2.

1 2. Subdivision 1. does not apply to any property, facility, or institution the
2 closure or sale of which is not authorized under section 16.848 of the statutes, as
3 created by this act.

4 (b) No later than October 1, 2006, the secretary of administration shall submit
5 a report to the secretary of the building commission containing an inventory of his
6 or her recommendations to offer specified state properties for sale under section
7 16.848 of the statutes, as created by this act, and the reasons therefor. A property
8 may be included in the inventory with or without approval of the state agency having
9 jurisdiction of the property. If, on or before June 30, 2007, the building commission
10 votes to approve the sale of any property included in the inventory, the department
11 of administration may offer the property for sale under section 16.848 of the statutes,
12 as created by this act.

13 (c) This subsection does not apply after June 30, 2007.

14 **SECTION 9152. Nonstatutory provisions; University of Wisconsin**
15 **System.**

16 (1) SALE OF REAL PROPERTY. If the Board of Regents of the University of
17 Wisconsin System sells any real property under its jurisdiction prior to July 1, 2007,
18 the board shall credit the net proceeds of the sale to the appropriation account under
19 section 20.285 (1) (iz) of the statutes, except that if there is any outstanding public
20 debt used to finance the acquisition, construction, or improvement of any property
21 that is sold, the board shall deposit a sufficient amount of the net proceeds from the
22 sale of the property in the bond security and redemption fund under section 18.09
23 of the statutes to repay the principal and pay the interest on the debt, and any
24 premium due upon refunding any of the debt. If the property was acquired,
25 constructed, or improved with federal financial assistance, the board shall pay to the

1 federal government any of the net proceeds required by federal law. If the property
2 was acquired by gift or grant or acquired with gift or grant funds, the board shall
3 adhere to any restriction governing use of the proceeds. Except as required under
4 ss. 13.48 (14) (e), 20.395 (9) (qd), and 51.06 (6), if there is no such debt outstanding,
5 there are no moneys payable to the federal government, and there is no restriction
6 governing use of the proceeds.

7 **SECTION 9255. Appropriation changes; other.**

8 (1) TRANSFER FROM GENERAL FUND TO BUDGET STABILIZATION FUND. There is
9 transferred \$36,000,000 from the general fund to the budget stabilization fund.

10 (END)

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-1513/9dn

JTK.....1...

Wlj

Jennifer Kraus:

This draft reconciles LRB-1532/4 and LRB-1513/8. Both LRB¹⁵³² and LRB-1513 should continue to appear in the compiled bill.

Jeffery T. Kuesel
Managing Attorney
Phone: (608) 266-6778

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

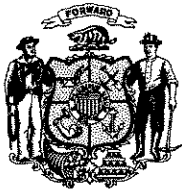
LRB-1513/9dn
JTK:wlj:pg

February 9, 2005

Jennifer Kraus:

This draft reconciles LRB-1532/4 and LRB-1513/8. Both LRB-1532 and LRB-1513 should continue to appear in the compiled bill.

Jeffery T. Kuesel
Managing Attorney
Phone: (608) 266-6778



State of Wisconsin
2005 - 2006 LEGISLATURE

LRB-1513/9
JTK:cjs&kjf:pg

DOA:.....Kraus, BB0352 - Sale of state property

FOR 2005-07 BUDGET -- NOT READY FOR INTRODUCTION

1 AN ACT ...; relating to: sale of certain state properties.

Analysis by the Legislative Reference Bureau

STATE GOVERNMENT

STATE FINANCE

This bill transfers \$36,000,000 from the general fund to the budget stabilization fund.

OTHER STATE GOVERNMENT

Currently, state agencies having jurisdiction over state properties are authorized to sell the properties under various conditions and limitations, if the operation of the properties is not specifically provided for by law. The proceeds of any sales are credited or deposited in various ways as provided by law.

Currently, the Building Commission may sell or lease all or part of a state-owned building or structure or state-owned land if such authority is not provided to a state agency by law. The proceeds of any such sales or leases, after retirement of any outstanding debt on the affected properties, are paid into the budget stabilization fund. In addition, the Building Commission may sell certain surplus state land, subject in most cases to the consent of the Joint Committee on Finance, and may sell certain state-owned land in the vicinity of the state capitol.

This bill directs the secretary of administration, no later than July 1, 2006, to review all holdings state-owned real property for potential sale, except property under the jurisdiction of the Board of Regents of the UW System, property under the

jurisdiction of DNR (except central or district office facilities), and certain other specified property. Potential sales may include surplus or nonsurplus property, and may be evaluated with or without the approval of the state agency that administers the affected property.

No later than October 1, 2006, the secretary of administration must submit a report to the secretary of the Building Commission containing an inventory of the secretary's recommendations to offer specified state properties for sale and giving the reasons therefor. Under the bill, if the Building Commission votes to approve the sale of any property included in the inventory on or before June 30, 2007, DOA may offer the property for sale and may sell the property if DOA believes that the sale is in the best interests of the state, subject to certain exceptions. Under the bill, the sale price need not reflect fair market value.

Any sale of state property by DOA may be either on the basis of public bids or negotiated prices. The bill does not authorize DOA to close or sell any facility or institution the operation of which is provided for by law. The authority granted by the bill does not apply to property that is leased by the state during the term of the lease without consent of the lessee. With certain exceptions, all net proceeds of property sales, after retirement of any outstanding debt on the affected properties and after any required reimbursement of the federal government for any federal financial assistance used to acquire, construct, or improve the properties, are deposited in the general fund.

Currently, the proceeds of sales of real property by the Board of Regents of the University of Wisconsin System are appropriated for various purposes. This bill provides that, for proceeds received from these sales before July 1, 2007, unless otherwise required for properties that are encumbered, acquired, constructed, or improved with federal financial assistance, or restricted by the terms of a gift or grant, the board shall use the net proceeds for the operation of the UW System.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 13.101 (13) of the statutes is repealed.

2 **SECTION 2.** 13.48 (14) (a) of the statutes is amended to read:

3 13.48 (14) (a) In this subsection, "agency" has the meaning given for "state
4 agency" in s. 20.001 (1), except that prior to July 1, 2007, the term does not include
5 the Board of Regents of the University of Wisconsin System.

6 **SECTION 3.** 13.48 (14) (d) 4. of the statutes is amended to read:

1 13.48 (14) (d) 4. If the commission proposes to sell or transfer a parcel of surplus
2 land having a fair market value of at least \$20,000, the commission shall notify the
3 joint committee on finance in writing of its proposed action. If the cochairpersons of
4 the committee do not notify the commission that the committee has scheduled a
5 meeting for the purpose of reviewing the proposed sale or transfer within 14 working
6 days after the date of the commission's notification, the parcel may be sold or
7 transferred by the commission. If, within 14 working days after the date of the
8 commission's notification, the cochairpersons of the committee notify the
9 commission that the committee has scheduled a meeting for the purpose of reviewing
10 the proposed sale or transfer, the parcel may be sold or transferred under this
11 subdivision only upon approval of the committee. This subdivision does not apply
12 to surplus land that is authorized to be sold under s. 16.848.

13 **SECTION 4.** 13.48 (22) of the statutes is amended to read:

14 13.48 (22) SALE OR LEASE OF CAPITOL AREA LANDS. The building commission may
15 lease or resell lands acquired in the capitol planning area for public or private
16 redevelopment and may set such conditions of sale or lease as it deems necessary to
17 ensure development compatible with the needs of the community and the state. This
18 subsection does not apply to lands that are authorized to be sold under s. 16.848.

19 **SECTION 5.** 16.848 of the statutes is created to read:

20 **16.848 Sale of certain state property.** (1) Except as provided in sub. (2) and
21 subject to sub. (3), the department may sell any state-owned real property, if the
22 department determines that the sale is in the best interest of the state. The sale may
23 be either on the basis of public bids, with the department reserving the right to reject
24 any bid in the interest of the state, or negotiated prices.

1 (2) (a) Subsection (1) does not authorize the closure or sale of any facility or
2 institution the operation of which is provided for by law.

3 (b) Subsection (1) does not apply to property under the jurisdiction of the board
4 of regents of the University of Wisconsin System.

5 (c) Subsection (1) does not apply to property sold by the department under s.
6 16.98 (3).

7 (d) Subsection (1) does not apply to lands under the jurisdiction of the board
8 of commissioners of public lands.

9 (e) Subsection (1) does not apply to property under the jurisdiction of the
10 department of natural resources, except central or district office facilities.

11 (f) Subsection (1) does not apply to lands acquired with revenues collected
12 under s. 70.58.

13 (g) Subsection (1) does not apply to property that is subject to sale by the
14 department of veterans affairs under s. 45.72 (7).

15 (h) The department shall not sell any property under this section that is leased
16 by the state until the lease expires or the lease is modified, renewed, or extended,
17 whichever first occurs, without consent of the lessee.

18 (3) The department shall not sell any state property under sub. (1) unless the
19 sale is approved by the building commission under 2005 Wisconsin Act (this act),
20 section 9101 (1) (b).

21 (4) Except as provided in s. 13.48 (14) (e), if there is any outstanding public debt
22 used to finance the acquisition, construction, or improvement of any property that
23 is sold under sub. (1), the department shall deposit a sufficient amount of the net
24 proceeds from the sale of the property in the bond security and redemption fund
25 under s. 18.09 to repay the principal and pay the interest on the debt, and any

1 premium due upon refunding any of the debt. If the property was acquired,
2 constructed, or improved with federal financial assistance, the department shall pay
3 to the federal government any of the net proceeds required by federal law. If the
4 property was acquired by gift or grant or acquired with gift or grant funds, the
5 department shall adhere to any restriction governing use of the proceeds. Except as
6 required under ss. 13.48 (14) (e), 20.395 (9) (qd), and 51.06 (6), if there is no such debt
7 outstanding, there are no moneys payable to the federal government, and there is no
8 restriction governing use of the proceeds, and if the net proceeds exceed the amount
9 required to be deposited, paid, or used for another purpose under this subsection, the
10 department shall deposit the net proceeds or remaining net proceeds in the general
11 fund.

12 **SECTION 6.** 20.285 (1) (h) of the statutes is amended to read:

13 20.285 (1) (h) *Auxiliary enterprises.* Except as provided under subs. (4) (g) and
14 (gm), (5) (i), and (6) (g), all moneys received by the University of Wisconsin System
15 for or on account of any housing facility, commons, dining halls, cafeteria, student
16 union, athletic activities, stationery stand or bookstore, parking facilities or car fleet,
17 or such other auxiliary enterprise activities as the board designates and including
18 such fee revenues as allocated by the board and including such moneys received
19 under leases entered into previously with nonprofit building corporations as the
20 board designates to be receipts under this paragraph, but not including any moneys
21 received from the sale of real property before July 1, 2007, to be used for the
22 operation, maintenance, and capital expenditures of activities specified in this
23 paragraph, including the transfer of funds to pars. (kd), (ke), and s. 20.235 (1) (ke),
24 and to nonprofit building corporations to be used by the corporations for the
25 retirement of existing indebtedness and such other payments as may be required

1 under existing loan agreements, for optional rental payments in addition to the
2 mandatory rental payments under the leases and subleases in connection with the
3 providing of facilities for such activities, and for grants under ss. 36.25 (14) and
4 36.34. A separate account shall be maintained for each campus and extension. Upon
5 the request of the extension or any campus within the system, the board of regents
6 may transfer surplus moneys appropriated under this paragraph to the
7 appropriation account under par. (kp). Annually, the amount in the schedule under
8 s. 20.005 (3) for the appropriation under s. 20.235 (1) (ke) shall be transferred from
9 this appropriation to the appropriation account under s. 20.235 (1) (ke).

10 **SECTION 7.** 20.285 (1) (iz) of the statutes is amended to read:

11 20.285 (1) (iz) *General operations receipts.* All moneys received for or on
12 account of the University of Wisconsin System, unless otherwise specifically
13 appropriated, including all moneys received from the sale of real property prior to
14 July 1, 2007, to be used for general operations.

15 **SECTION 8.** 20.285 (1) (j) of the statutes is amended to read:

16 20.285 (1) (j) *Gifts and donations.* All moneys received from gifts, grants,
17 bequests and devises, except moneys received from the sale of real property before
18 July 1, 2007, to be administered and expended in accordance with the terms of the
19 gift, grant, bequest or devise to carry out the purposes for which made and received.

20 **SECTION 9.** 20.285 (1) (ka) of the statutes is amended to read:

21 20.285 (1) (ka) *Sale of real property.* All net proceeds from the sale of real
22 property by the board under s. 36.34, 1969 stats., and s. 36.33, except net proceeds
23 received before July 1, 2007, to be used for the purposes of s. 36.34, 1969 stats., and
24 s. 36.33, including the expenses enumerated in s. 13.48 (2) (d) incurred in selling the
25 real property under those sections.

1 **SECTION 10.** 23.15 (6) of the statutes is created to read:

2 23.15 (6) This section does not apply to property that is authorized to be sold
3 under s. 16.848.

4 **SECTION 11.** 25.60 of the statutes is amended to read:

5 **25.60 Budget stabilization fund.** There is created a separate nonlapsible
6 trust fund designated as the budget stabilization fund, consisting of moneys
7 transferred to the fund from the general fund under ss. 13.48 (14) (c), 16.518 (3), and,
8 16.72 (4) (b), and 16.848.

9 **SECTION 12.** 45.37 (10) (c) of the statutes is amended to read:

10 45.37 (10) (c) The Except where a sale occurs under s. 16.848, the department
11 may manage, sell, lease or transfer property descending to the state pursuant to this
12 section or conveyed to it by members, defend and prosecute all actions concerning it,
13 pay all just claims against it, and do all other things necessary for the protection,
14 preservation and management of such property. All expenditures necessary for the
15 execution of functions under this paragraph or sub. (11) shall be made from the
16 appropriation in s. 20.485 (1) (h).

17 **SECTION 13.** 45.38 (2) (a) 1. of the statutes is amended to read:

18 45.38 (2) (a) 1. Without limitation by reason of any other provisions of the
19 statutes except s. 16.848, the power to sell and to convey title in fee simple to a
20 nonprofit corporation any land and any existing buildings thereon owned by, or
21 owned by the state and held for, the department or of any of the institutions under
22 the jurisdiction of the department for such consideration and upon such terms and
23 conditions as in the judgment of the board are in the public interest.

24 **SECTION 14.** 46.03 (30) (a) of the statutes is amended to read:

1 46.03 (30) (a) To provide for an orderly reduction of state institutional primary
2 psychiatric services the department may approve the institutes entering into
3 contracts with county departments under s. 51.42 for providing primary psychiatric
4 care. If excess capacity exists at state operated mental health institutes, the
5 department shall, subject to s. 16.848, explore whether the possible sale or lease of
6 such excess facilities ~~may be sold or leased~~ to a county department under s. 51.42.

7 **SECTION 15.** 46.035 (1) (a) of the statutes is amended to read:

8 46.035 (1) (a) The term “existing building” in relation to any conveyance, lease
9 or sublease made under sub. (2) (a) 1., 2. and 3., (b), and (c) means all detention,
10 treatment, administrative, recreational, infirmary, hospital, vocational and
11 academic buildings; all dormitories and cottages; all storage facilities, heating
12 plants, sewage disposal plants, and such other buildings, structures, facilities and
13 permanent improvements as in the judgment of the secretary are needed or useful
14 for the purposes of the department, and all equipment therefor and all improvements
15 and additions thereto which were erected, constructed or installed prior to the
16 making of such conveyance, lease or sublease.

17 **SECTION 16.** 46.035 (1) (b) of the statutes is amended to read:

18 46.035 (1) (b) The term “new building” in relation to any conveyance, lease or
19 sublease made under sub. (2) (a) 1., 2. and 3., (b), and (c) means all detention,
20 treatment, administrative, recreational, infirmary, hospital, vocational and
21 academic buildings; all dormitories and cottages; all storage facilities, heating
22 plants, sewage disposal plants, and such other buildings, structures, facilities and
23 permanent improvements as in the judgment of the secretary are needed or useful
24 for the purposes of the department, and all equipment therefor and all improvements

1 and additions thereto which are erected, constructed or installed after the making
2 of such conveyance, lease or sublease.

3 **SECTION 17.** 46.035 (2) (intro.) of the statutes is repealed.

4 **SECTION 18.** 46.035 (2) (a) of the statutes is renumbered 46.035 (2), and 46.035
5 (2) (intro.), (a) and (c) to (j), as renumbered, are amended to read:

6 46.035. **(2)** (intro.) In order to provide new buildings and to enable the
7 construction and financing thereof, to refinance indebtedness hereafter created by
8 a nonprofit corporation for the purpose of providing a new building or buildings or
9 additions or improvements thereto which are located on land owned by, or owned by
10 the state and held for, the department or on lands of the institutions under the
11 jurisdiction of the department or by the nonprofit corporation, or for any one or more
12 of said purposes, but for no other purpose unless authorized by law, the department
13 has, subject to s. 16.848, the following powers and duties:

14 (a) Without limitation by reason of any other provisions of the statutes except
15 s. 16.848, the power to sell and to convey title in fee simple to a nonprofit corporation
16 any land and any existing buildings thereon owned by, or owned by the state and held
17 for, the department or of any of the institutions under the jurisdiction of the
18 department for such consideration and upon such terms and conditions as in the
19 judgment of the secretary are in the public interest.

20 (c) The power to lease or sublease from such nonprofit corporation, and to make
21 available for public use, any such land and existing buildings conveyed or leased to
22 such nonprofit corporation under subds. 1. and 2. pars. (a) and (b), and any new
23 buildings erected upon such land or upon any other land owned by such nonprofit
24 corporation, upon such terms, conditions and rentals, subject to available
25 appropriations, as in the judgment of the secretary are in the public interest. With

1 respect to any property conveyed to such nonprofit corporation under ~~subd. 1, par.~~
2 (a), such lease from such nonprofit corporation may be subject or subordinated to one
3 or more mortgages of such property granted by such nonprofit corporation.

4 (d) The duty to submit the plans and specifications for all such new buildings
5 and all conveyances, leases and subleases made under this section ~~subsection~~ to the
6 department of administration and the governor for written approval before they are
7 finally adopted, executed and delivered.

8 (e) The power to pledge and assign all or any part of the revenues derived from
9 the operation of such new buildings as security for the payment of rentals due and
10 to become due under any lease or sublease of such new buildings under ~~subd. 3 par.~~
11 (c).

12 (f) The power to covenant and agree in any lease or sublease of such new
13 buildings made under ~~subd. 3, par. (c)~~ to impose fees, rentals or other charges for the
14 use and occupancy or other operation of such new buildings in an amount calculated
15 to produce net revenues sufficient to pay the rentals due and to become due under
16 such lease or sublease.

17 (g) The power to apply all or any part of the revenues derived from the operation
18 of existing buildings to the payment of rentals due and to become due under any lease
19 or sublease made under ~~subd. 3 par. (c)~~.

20 (h) The power to pledge and assign all or any part of the revenues derived from
21 the operation of existing buildings to the payment of rentals due and to become due
22 under any lease or sublease made under ~~subd. 3 par. (c)~~.

23 (i) The power to covenant and agree in any lease or sublease made under ~~subd.~~
24 ~~3, par. (c)~~ to impose fees, rentals or other charges for the use and occupancy or other

1 operation of existing buildings in an amount calculated to produce net revenues
2 sufficient to pay the rentals due and to become due under such lease or sublease.

3 (j) The power and duty, upon receipt of notice of any assignment by any such
4 nonprofit corporation of any lease or sublease made under ~~subd. 3.~~ par. (c), or of any
5 of its rights under any such sublease, to recognize and give effect to such assignment,
6 and to pay to the assignee thereof rentals or other payments then due or which may
7 become due under any such lease or sublease which has been so assigned by such
8 nonprofit corporation.

9 **SECTION 19.** 46.035 (2) (b) of the statutes is renumbered 46.035 (3) and
10 amended to read:

11 46.035 (3) The state ~~shall be~~ is liable for accrued rentals and for any other
12 default under any lease or sublease made under ~~par. (a) 3.~~ sub. (2) (c), and may be
13 sued therefor on contract as in other contract actions pursuant to ch. 775, except that
14 it ~~shall not be~~ is not necessary for the lessor under any such lease or sublease or any
15 assignee of such lessor or any person or other legal entity proceeding on behalf of such
16 lessor to file any claim with the legislature prior to the commencement of any such
17 action.

18 **SECTION 20.** 46.035 (2) (c) of the statutes is renumbered 46.035 (4).

19 **SECTION 21.** 46.035 (2) (d) of the statutes is repealed.

20 **SECTION 22.** 46.035 (2) (e) of the statutes is renumbered 46.035 (5) and amended
21 to read:

22 46.035 (5) All laws, except s. 16.848 and ch. 150, ~~conflicting that conflict~~ with
23 any provisions of this section, are, insofar as they conflict with this section and no
24 further, superseded by this section.

25 **SECTION 23.** 46.06 (intro.) of the statutes is created to read:

46.06 Lands; condemnation, easements, leases, sales, purchases.

(intro.) Subject to s. 16.848:

SECTION 24. 46.09 (intro.) of the statutes is created to read:

46.09 Purchases, bills, audits, payments. (intro.) Subject to s. 16.848:

SECTION 25. 84.09 (9) of the statutes is created to read:

84.09 (9) Subsections (5), (5m), and (6) do not apply to state surplus property that is sold under s. 16.848.

SECTION 26. 301.235 (2) (a) (intro.) of the statutes is amended to read:

301.235 (2) (a) (intro.) In order to provide new buildings and to enable the construction and financing thereof, to refinance indebtedness created by a nonprofit corporation for the purpose of providing a new building or buildings or additions or improvements thereto which are located on land owned by, or owned by the state and held for, the department or on lands of the institutions under the jurisdiction of the department or owned by the nonprofit corporation, or for any one or more of those purposes, but for no other purpose unless authorized by law, the department, subject to s. 16.848, has the following powers and duties:

SECTION 27. 301.235 (2) (a) 1. of the statutes is amended to read:

301.235 (2) (a) 1. Without limitation by reason of any other statute except s. 16.848, the power to sell and to convey title in fee simple to a nonprofit corporation any land and any existing buildings thereon owned by, or owned by the state and held for, the department or any of the institutions under the jurisdiction of the department for such consideration and upon such terms and conditions as in the judgment of the secretary are in the public interest.

SECTION 28. 301.24 (4) of the statutes is amended to read:

1 301.24 (4) SALES. The Except where a sale occurs under s. 16.848, the
2 department, with the approval of the building commission, may sell and convey such
3 lands under the jurisdiction of the department as the secretary deems to be in excess
4 of the present or future requirements of the department for either the operation of
5 its facilities or programs, for the maintenance of buffer zones adjacent to its facilities
6 or for other public purposes. The proceeds of the sales shall be credited to the state
7 building trust fund.

8 **SECTION 29.** 301.24 (4m) of the statutes is amended to read:

9 301.24 (4m) CORRECTIONAL INSTITUTION PROPERTY DISPOSITION. In addition to
10 any other requirements under this section, except where a sale occurs under s.
11 16.848, the department may sell or otherwise transfer or dispose of the property
12 acquired for the correctional institution under s. 46.05 (1o), 1985 stats., only if the
13 sale, transfer or disposition is approved by the joint committee on finance. The
14 department shall submit a plan for any such proposed sale, transfer or disposition
15 to the committee.

16 **SECTION 30.** 301.25 of the statutes is amended to read:

17 **301.25 Sewer system at Taycheedah Correctional Institution.** The
18 department, with the approval of the governor, may enter into an agreement
19 containing terms, conditions and covenants approved by the building commission,
20 to participate in the construction of a sanitary sewer system in the area adjacent to
21 the Taycheedah Correctional Institution in the town of Taycheedah, Fond du Lac
22 County; to connect the sewer system of the Taycheedah Correctional Institution
23 thereto; to pay sewage disposal charges; and to grant easements or, subject to s.
24 16.848, convey land to meet construction requirements.

25 **SECTION 31.** 302.04 of the statutes is amended to read:

1 **302.04 Duties of warden and superintendents.** ~~The~~ Except as provided in
2 s. 16.848, the warden or the superintendent of each state prison shall have charge
3 and custody of the prison and all lands, belongings, furniture, implements, stock and
4 provisions and every other species of property within the same or pertaining thereto.
5 The warden or superintendent shall enforce the ~~regulations~~ rules of the department
6 for the administration of the prison and for the government of its officers and the
7 discipline of its inmates.

8 **SECTION 32.** 560.9810 (5) of the statutes is created to read:

9 560.9810 (5) NONAPPLICATION. This section does not apply to property that is
10 authorized to be sold under s. 16.848.

11 **SECTION 9101. Nonstatutory provisions; administration.**

12 (1) SALE OF CERTAIN STATE PROPERTY.

13 (a) 1. No later than July 1, 2006, the secretary of administration shall review
14 all holdings of state-owned real property for potential sale, except as provided in
15 subdivision 2.

16 2. Subdivision 1. does not apply to any property, facility, or institution the
17 closure or sale of which is not authorized under section 16.848 of the statutes, as
18 created by this act.

19 (b) No later than October 1, 2006, the secretary of administration shall submit
20 a report to the secretary of the building commission containing an inventory of his
21 or her recommendations to offer specified state properties for sale under section
22 16.848 of the statutes, as created by this act, and the reasons therefor. A property
23 may be included in the inventory with or without approval of the state agency having
24 jurisdiction of the property. If, on or before June 30, 2007, the building commission
25 votes to approve the sale of any property included in the inventory, the department

1 of administration may offer the property for sale under section 16.848 of the statutes,
2 as created by this act.

3 (c) This subsection does not apply after June 30, 2007.

4 **SECTION 9152. Nonstatutory provisions; University of Wisconsin**
5 **System.**

6 (1) SALE OF REAL PROPERTY. If the Board of Regents of the University of
7 Wisconsin System sells any real property under its jurisdiction prior to July 1, 2007,
8 the board shall credit the net proceeds of the sale to the appropriation account under
9 section 20.285 (1) (iz) of the statutes, except that if there is any outstanding public
10 debt used to finance the acquisition, construction, or improvement of any property
11 that is sold, the board shall deposit a sufficient amount of the net proceeds from the
12 sale of the property in the bond security and redemption fund under section 18.09
13 of the statutes to repay the principal and pay the interest on the debt, and any
14 premium due upon refunding any of the debt. If the property was acquired,
15 constructed, or improved with federal financial assistance, the board shall pay to the
16 federal government any of the net proceeds required by federal law. If the property
17 was acquired by gift or grant or acquired with gift or grant funds, the board shall
18 adhere to any restriction governing use of the proceeds. Except as required under
19 ss. 13.48 (14) (e), 20.395 (9) (qd), and 51.06 (6), if there is no such debt outstanding,
20 there are no moneys payable to the federal government, and there is no restriction
21 governing use of the proceeds.

22 **SECTION 9255. Appropriation changes; other.**

23 (1) TRANSFER FROM GENERAL FUND TO BUDGET STABILIZATION FUND. There is
24 transferred \$36,000,000 from the general fund to the budget stabilization fund.

25 (END)